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20 April 2016

Dear Shareholder,

HSBC Global Asset Management (Singapore) Limited, is the Representative of **HSBC Global Investment Funds - Global Emerging Markets Equity** (the "sub-fund"), which is registered as a Recognised Scheme in Singapore.

We are writing to inform you of an important change being made to the sub-fund.

The changes will be reflected in a new version of the Singapore Prospectus of the Company (the "Prospectus"), which will be available, free of charge, upon request from your local distributor/representative. The Singapore Prospectus will be available on 20 May 2016.

The Changes

The investment objective of the sub-fund is to seek long term capital growth by investing primarily in a diversified portfolio of equities and equity equivalent securities of companies which are domiciled in, based in, or carry out the larger part of their business activities in, Emerging Markets.

The board of directors of the Company (the "Board") has given consideration to the investment process of the sub-fund and has decided to make changes to the way the sub-fund invests in India and China. The Board has also taken the opportunity of the changes relating to investments in India and China to enhance and clarify the overall description of the investment strategy of the sub-fund in respect of the use of financial derivative instruments and investments in Real Estate Investment Trusts ("REITs").

The new and current investment objectives of the sub-fund are disclosed at the end of this letter.

1. Investment in India

To the extent that the sub-fund may invest in India, the sub-fund currently invests part of the net proceeds of the issue of Shares in HSBC GIF Mauritius No. 2 Limited (the "subsidiary company"), which is a Mauritian company wholly owned by the Company. Under normal market conditions, the subsidiary company invests substantially in Indian equities and equity equivalent securities of companies which have their registered office in, and with an official listing on a major stock exchange or other Regulated Market of India. The subsidiary company currently benefits from a favourable tax treatment, due to the double taxation treaty between Mauritius and India, which in turn benefits the sub-fund and its investors.

The Board has decided that the sub-fund's investments in India will be made directly rather than through the subsidiary company. Consequently, the sub-fund will divest its holdings in the subsidiary company over a period of time at the end of which the subsidiary company will be liquidated.

Background and Rationale for the Change to the Subsidiary Company

The subsidiary company was incorporated on 21 November 2007 and benefits from the double taxation treaty between India and Mauritius which became effective on 1st July 1983. The taxation treaty allows Mauritian companies' exemption from short term capital gains tax payable on Indian securities sold within 12 months of purchase.

The Indian government introduced the General Anti-Avoidance Rule ("GAAR") into local tax legislation through the Direct Taxes Code (DTC) in 2009 and it is now a part of the Income-tax Act, 1961. It is anticipated that when GAAR becomes effective, the subsidiary company will no longer benefit from the tax advantages available to it under the taxation treaty.

In recent years there has been a great deal of uncertainty as to whether the GAAR would come into force and also whether the proposed scope would be changed. The Indian government's budget in February 2015 postponed the coming into force of GAAR until 1 April 2017. However, the support for its implementation and the maintenance of its scope means that there is now clarity over the Indian government's view. The Board expects that, based on tax advice, GAAR will be implemented.

In order to ensure the certainty of the future tax treatment, the Board has taken the decision to no longer invest in India through the subsidiary company. This will provide a more efficient and clearer structure in the future; however it is possible that the sub-fund may be liable for any retrospective tax assessments levied on the subsidiary company post liquidation.

Implementation Process and Timeline for the Change to the Subsidiary Company

There will be a transitional period during which the sub-fund will divest its holdings in the subsidiary company, and reinvest its assets in financial instruments directly in accordance with its investment objective. This will be undertaken in a number of tranches in order to minimise market impact and limit any risks. Following completion of the asset transition, the subsidiary company will be liquidated.

The transitional period is expected to begin in September 2016 and to be complete by the end of October 2016. There will be no suspension of shareholder dealing as a result of the transition. A further letter will be issued to advise the liquidation date of the subsidiary company at least one month prior to the liquidation.

Impact of the Change to the Subsidiary Company

There will be transitional costs incurred in divesting the holdings in the subsidiary company and investing directly, and liquidation costs in liquidating the subsidiary company in Mauritius. These costs will be borne by the sub-fund and will impact you if you remain as a Shareholder of the sub-fund. The estimated costs, based on the holdings of the sub-fund as of the end of March 2016 are 0.05% of the sub-fund's assets. The transitional costs will be incurred and charged to the sub-fund throughout the period of the transition.

In practice, these costs will be dependent on the sub-fund's holdings and the market conditions at the time of the transition, and may be higher.

Post transition the investments held directly in India will be subject to short term capital gains tax – this tax is currently set at 15% of any gains made on securities sold within 12 months of purchase. As per Indian tax rules, a payment for potential capital gains tax will be paid to the Indian tax authorities in December every year. The amount payable is 75% of the actual capital gains tax paid in the previous fiscal year, ending 31 March. In the event that the payment is used in a fiscal year, additional capital gains tax due will be payable to the Indian tax authorities when the gain is realised and before the sales proceeds are converted to the base currency of the sub-fund. However, the gain will be offset against any realised losses. Investments held for more than 12 months from purchase will continue to be exempt from tax on their capital gains.

2. Investment in China

In order to optimise the portfolio management of the sub-fund, the Board has decided to expand the types of securities the sub-fund may invest in.

As a result, the sub-fund will be authorised to invest in Chinese equities listed on stock exchanges in the People's Republic of China ("PRC") and may invest in China A-shares (i) directly through the Shanghai-Hong Kong Stock Connect ("Stock Connect") and/or (ii) indirectly through China A-shares Access Products ("CAAP").

Stock Connect is a securities trading and clearing platform developed by Hong Kong Exchanges and Clearing Limited ("HKEx") and Shanghai Stock Exchange ("SSE") with an aim to achieve mutual stock market access between the PRC and Hong Kong. Stock Connect comprises a Northbound Trading Link (for investment in China A-shares) by which the sub-funds may be able to invest in eligible shares listed on SSE. This flexibility will allow the sub-funds to take greater advantage of investment opportunities in China.

Additional Changes to the Investment Objective

The Board has reviewed the use of financial derivative instruments and has decided to implement in the investment objective a standardised wording bringing further clarity as well as consistency throughout the investment objectives of HSBC Global Investment Funds' sub-funds. It will better describe the purposes of using financial derivative instruments and how extensively these instruments may be used by a sub-fund.

The Board has also given consideration to the investment universe of the sub-fund and has decided to clarify in the investment objective that the sub-fund may gain exposure to Real Estate by investing up to 10% of its assets in eligible closed-ended Real Estate Investment Trusts ("REITs").

- **Impact of the Changes**

The changes will have no impact on the aim and Profile of the Typical Investor Category of the sub-funds as defined in the Prospectus.

The changes will not impact the number of shares you hold in the sub-fund.

- **Effective Date of Changes**

The changes disclosed above will become effective from 20 May 2016.

- **Action to Be Taken**

You do not need to take any action. However, if you wish to switch to any other sub-fund within the HSBC Global Investment Funds range or redeem your investment free of charge until 19 May 2016, you can do so under the normal dealing terms disclosed in the Prospectus.

The Management Company and the Investment Adviser of the sub-fund, HSBC Global Asset Management (UK) Limited, will seek to manage the implementation of the changes as efficiently as possible.

If you have any questions about these changes and would like to discuss them in more detail, please do not hesitate to contact your financial adviser.

The Board accepts responsibility for the accuracy of the information contained in this letter.

In case you have any queries, please feel free to contact us at (65) 6658 2900.

Yours faithfully,

On behalf of HSBC Global Asset Management (Singapore) Limited

Puneet Chaddha
Chief Executive Officer & Head of South East Asia

HSBC

HSBC Global Investment Funds - Global Emerging Markets Equity

Investment Objective

From the Effective Date of Change

The sub-fund aims to provide long term total return by investing in a portfolio of Emerging Market equities.

The sub-fund invests in normal market conditions a minimum of 90% of its net assets in equities and equity equivalent securities of companies which are domiciled in, based in, or carry out the larger part of their business activities in, Emerging Markets. The sub-fund may also invest in eligible closed-ended Real Estate Investment Trusts (“REITS”).

To the extent that the sub-fund invests in India, when making new investments or reallocating the portfolio, the sub-fund will invest directly in equities and equity equivalent securities of companies which are domiciled in India and the sub-fund will no longer increase its holdings in the Subsidiary (as defined below). Holdings in the Subsidiary may decrease. During a transitional period, which is expected to begin in September 2016 and to be complete by the end of October 2016, the sub-fund will divest its holdings in the Subsidiary in order to reinvest these assets directly.

Investments in Chinese equities include, but are not limited to, China A-shares and China B-shares (and such other securities as may be available) listed on stock exchanges in the People's Republic of China (“PRC”). The sub-fund may directly invest in China A-shares through the Shanghai-Hong Kong Stock Connect, subject to applicable quota limitations. Furthermore, the sub-fund may gain exposure to China A-shares indirectly through China A-shares Access Products (“CAAP”) such as, but not limited to, participation notes linked to China A-shares.

The sub-fund may invest up to 30% of its nets assets in China A-shares through the Shanghai-Hong Kong Stock Connect and up to 30% of its net assets in CAAPs. The sub-fund's maximum exposure to China A-shares (through the Shanghai-Hong Kong Stock Connect or CAAP) and China B-shares is 40% of its net assets. The sub-fund will not invest more than 10% of its net assets in CAAPs issued by any single issuer of CAAPs.

The sub-fund normally invests across a range of market capitalisations without any capitalisation restriction.

The sub-fund will not invest more than 15% of its net assets in a combination of participation notes and convertible securities.

The sub-fund will not invest more than 10% of its net assets in REITS.

The sub-fund may invest up to 10% of its net assets in units or shares of UCITS and/or other Eligible UCIs (including other sub-funds of HSBC Global Investment Funds).

The sub-fund may use financial derivative instruments for hedging and cash flow management (for example, Equitisation). However, the sub-fund will not use financial derivative instruments extensively for investment purposes. The financial derivative instruments the sub-fund is permitted to use include, but are not limited to, futures and foreign exchange forwards (including non-deliverable forwards). Financial derivative instruments may also be embedded in other instruments in which the sub-fund may invest.

Mauritius Subsidiary

HSBC GIF Mauritius No.2 Limited, HSBC Centre, 18 Cyber City, Ebene, Mauritius (the "Subsidiary") is a Mauritian company wholly-owned by the Company.

The investment objectives of the Subsidiary are in line with those of Global Emerging Markets Equity (i.e. investments in equities and equity equivalent securities of companies which are domiciled in India) and the Subsidiary will apply the Company's investment restrictions as outlined in this Prospectus.

The Subsidiary was incorporated in Mauritius on 21 November 2007. It is wholly-owned by the Company. It will issue ordinary Shares and redeemable preference Shares only to the Company's Global Emerging Markets Equity sub-fund. The Subsidiary is registered with the Financial Services Commission and has obtained a certificate of tax residency from the Mauritius Revenue Authority in Mauritius (Please refer to Section 2.18. "Taxation").

The directors of the Subsidiary are responsible, inter alia, for establishing the investment objectives and policy of the Subsidiary, for monitoring the Subsidiary's investments and performance and for providing advisory services to the exclusive benefit of the Company, including in relation to massive redemptions in the sub-fund.

The Subsidiary has appointed CIM Fund Services, Rogers House, 5 President John Kennedy Street, Port Louis, Mauritius, to provide administrative services to the Subsidiary in Mauritius, including maintenance of its accounts, books and records. The Subsidiary has appointed KPMG Mauritius of KPMG Centre, 30 St George Street, Port Louis, Mauritius, as auditors of the Subsidiary in Mauritius to perform the auditor's duties required by Mauritius law.

The Subsidiary has appointed the Depositary Bank as custodian over its assets. The Company has appointed HSBC Bank (Mauritius), a bank incorporated under the laws of Mauritius and a wholly owned subsidiary of The Hong Kong and Shanghai Banking Corporation Limited, and duly licensed to do business in Mauritius, and having an office at HSBC Centre, 18 Cybercity, Ebene, Mauritius, for the remittance of all cash and currency of the Subsidiary for the purpose of inward investment into India by the Subsidiary and in respect of remittances from such investments.

The Company and the Subsidiary shall issue consolidated accounts.

Until the Effective Date of Change

The sub-fund seeks long term capital growth by investing primarily in a well diversified portfolio of investments in equity and equity equivalent securities issued by companies which have their registered office in, and with an official listing in, an Emerging Market, as well as companies which carry out a preponderant part of their economic activities in Emerging Markets.

The sub-fund will seek to invest primarily in securities listed on a Regulated Market, but may also invest up to 10% of the sub-fund's net assets in securities listed on markets that are not Regulated Markets. Investment in interest bearing securities is also permitted either for short-term cash surpluses or in response to unfavourable equity market conditions and this is limited to one third of the total assets of the sub-fund. Whilst there are no capitalisation restrictions, it is anticipated that the sub-fund will invest primarily in larger, established companies.

To the extent that the sub-fund may invest in India, the sub-fund intends to invest part of the net proceeds of the issue of Shares in HSBC GIF Mauritius No.2 Limited, HSBC Centre, 18 Cyber City, Ebene, Mauritius (the "Subsidiary") which is a Mauritian company wholly-owned by the Company. Under normal market conditions, that part of the net proceeds allocated to the Subsidiary will be invested substantially in Indian equities and equity equivalent securities of companies which have their registered office in, and with an official listing on a major stock exchange or other Regulated Market of India. The remainder of the net proceeds of the issue of Shares will be invested directly in equity and equity equivalent securities of companies which have their registered office in, and with an official listing on a major stock exchange or other Regulated Market of Emerging Markets. The investment objectives of the Subsidiary are in line with those of Global Emerging Markets Equity to the extent the sub-fund may invest in India and the Subsidiary will apply the Company's investment restrictions as outlined in this Prospectus.

The Subsidiary was incorporated in Mauritius on 21 November 2007. It is wholly-owned by the Company. It will issue ordinary Shares and redeemable preference Shares only to the Company's Global Emerging Markets Equity sub-fund. The Subsidiary is registered with the Financial Services Commission and has obtained a certificate of tax residency from the Mauritius Revenue Authority in Mauritius (Please refer to Section 2.18. "Taxation").

The directors of the Subsidiary are responsible, *inter alia*, for establishing the investment objectives and policy of the Subsidiary, for monitoring the Subsidiary's investments and performance and for providing advisory services to the exclusive benefit of the Company, including in relation to massive redemptions in the sub-fund.

The Subsidiary has appointed CIM Fund Services (previously known as Multiconsult Limited), Rogers House, 5 President John Kennedy Street, Port Louis, Mauritius, to provide administrative services to the Subsidiary in Mauritius, including maintenance of its accounts, books and records. The Subsidiary has appointed KPMG Mauritius of KPMG Centre, 30 St George Street, Port Louis, Mauritius, as auditors of the Subsidiary in Mauritius to perform the auditor's duties required by Mauritius law.

The Subsidiary has appointed the Depositary Bank as custodian over its assets. The Company has appointed HSBC Bank (Mauritius), a bank incorporated under the laws of Mauritius and a wholly owned subsidiary of The Hong Kong and Shanghai Banking Corporation Limited, and duly licensed to do business in Mauritius, and having an office at HSBC Centre, 18 Cybercity, Ebene, Mauritius, for the remittance of all cash and currency of the Subsidiary for the purpose of inward investment into India by the Subsidiary and in respect of remittances from such investments.

The Company and the Subsidiary shall issue consolidated accounts.